

Invest in your child's education

A post-secondary education is becoming increasingly more expensive, which is why it's important to start saving now for your child's future education costs. A Registered Education Savings Plan (RESP) is one of the most effective ways to save for your child's post-secondary education. Benefits of an RESP include:

- **Tax-sheltered growth:** Although your contributions are not tax-deductible, all your investment income generated in an RESP is tax-sheltered as long as it remains in the plan.
- **Tax savings:** When money in an RESP is used to pay for your child's post-secondary education, it is taxed in the child's hands. The child may pay little or no taxes on the money.
- **Government contributions:** As a savings incentive, the Government of Canada offers several grants including the Canada Education Savings Grant (CESG), Additional CESG, and the Canada Learning Bond.

CIBC has a variety of RESP options to suit your individual needs. Visit your local CIBC branch or visit www.cibc.com for more information on CIBC RESPs.

Canada Learning Bond

The Canada Learning Bond is a Government of Canada program that provides an initial contribution of \$500 to help you start saving for your child's post-secondary education. And, your child could earn \$100 every year until he or she turns 15 years old, to a maximum of \$2,000.

Your child is eligible for the Canada Learning Bond if:

- He or she was born on or after January 1, 2004
- Your family receives the National Child Benefit Supplement or
- Your family's after-tax income is \$40,970 or less

To start receiving the Canada Learning Bond, you only have to open an RESP. If you qualify, you will receive the Canada Learning Bond even if you don't make a contribution to the RESP.

To learn more about Canada Learning Bond, visit www.canlearn.ca.



How much will it cost for my child to go to school?

Years until post-secondary education	Estimated future post-secondary costs*	
	Living at home	Away from home
2	\$28,500	\$57,000
6	\$34,700	\$69,300
10	\$42,100	\$84,200
14	\$51,200	\$102,400
18	\$62,200	\$124,500

For example: if you have 10 years before your child starts post-secondary education, you would need to save \$42,100 (if your child plans to live at home).

*Costs are based on the estimated cost of education at \$6,000 a year for a student living at home and \$12,000 a year for a student living away from home. Costs include tuition fees, books, and, for living away from home, rent. Based on a 4-year program. Assumes that the cost of education increases 5% annually. All figures are rounded.

Source: CIBC Securities Inc.

